

the State in United States bonds or securities of any kind, if so, how much of each, at what time the investment was made and whether they have been disposed of; if so, what premium they commanded, if any, when sold, and what interest was received on them in coin, *and whether I accounted for the same in coin or currency to the State.*

To the several enquiries I have the honor to submit the following answer: On or about the 1st of December, 1863, I purchased *six hundred thousand dollars* (\$600,000) of United Five-twenty bonds, through the State's agent, John Clark, Esq., which was sold by him during the following Summer, under my instructions, in order to meet the demands on the Treasury, occasioned by the "Bounty Act," passed at the January session, 1864, or about one month after this investment was made. The nett premium realized by the sale of these bonds was \$34,450, as will appear by the books of the Treasury Department, as well as by the accompanying warrant and receipt herewith enclosed, and which is filed as part of my answer. I have the honor to submit to you also the enclosed certificate from John Clark, Esq., State Agent. It will be observed that the whole amount received for temporary loans, and from coupons during the time, the six hundred thousand dollars (\$600,000), was held by me, was (24,036), twenty-four thousand and thirty-six dollars in coin, all of which was placed in the hands of John Clarke, Esq., State Agent, with instructions to purchase sterling exchange, and place the same to the credit of the State with Messrs. Barriag, Bro. & Co., of London, to meet the interest on the sterling debt due and payable there, which instructions have been fully complied with as per his certificate herewith filed as part of my answer. It is proper to remark that by this judicious and careful action on my part the surplus funds of the State were kept safe, and at the same time a handsome amount was realized to the State in premiums in currency and interest in coin. It will be observed that I have taken all the risk in making this arrangement, as there is nothing either in the laws of the State or the "Constitution" authorizing or directing any such investment to be made, but I believed that it would be safer with the "Government" until wanted by the State than to remain in bank idle and without interest. In this connection I would also state that at the January session of the Legislature of 1864, which convened about thirty days after said investment, I called the attention of that body to the investment and urgently requested a law to be passed ratifying my action, which for some reason was neglected or overlooked, although I am sure it was their intention to pass such a law. Thus for want of proper action by the Legislature at that time I was left to take the responsibility of this investment, and if loss had resulted to the State I should have been bound to make up any deficiency.